No. 98-62

Supreme Court, U.S.
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1997

ETHICON, INC. and INBAE YOON, M.D.,

Petitioners,

—v.—

UNITED STATES SURGICAL CORPORATION
and YOUNG JAE CHOI,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY TO BRIEF IN OPPOSITION

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Preliminary Statement

This Reply Brief is submitted in further support of the petition for a writ of certiorari.

1. The Issues Raised by this Petition Were Raised And Decided in the Courts Below

Contrary to the contention of respondents (hereafter, "U.S. Surgical"), the issues raised in this Court were squarely raised in the court below prior to the motion for reargument. Petitioners' main brief on appeal stated:

> By its terms ... Rule 19 [Fed.R.Civ.P.] is applicable to all actions, and, contrary to the trial court's view of 'substantive' patent law, there is no provision in the patent law prohibiting the applicability of Rule 19 to patent actions. It is applied as a matter of course in such actions. See Catanzaro v. Int'l Tel. & Tel. Corp., 378 F. Supp. 203, 205, 183 USPQ 273, 274 (D. Del. 1974) . . . . ("However, the adoption of amended Rule 19 makes inappropriate any contention that patent co-owners are *per se* indispensable in infringement suits.").

Reply App. 108a. Petitioners made the same argument in the district court, Reply App. 119a, and in their reply brief on appeal.[1] Reply App. 113a-14a.

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[1] Contrary to U.S. Surgical's assertion, the Federal Circuit was made aware on the main appeal of the construction of Rule 19 adopted by this Court in *Provident Tradesmens Bank & Trust Co. v. Patterson*, 390 U.S. 102 (1968) ("*Provident*"). *Catanzaro* and *Howes v. Medical Components, Inc.*, 698 F.

Although U.S. Surgical cites the trial court's statement that petitioners "do not deny that, as a matter of substantive law, the co-owner of a patent cannot sue for infringement without the consent of all other co-owners" (Br. at 2), neither U.S. Surgical nor the trial court has furnished a record citation for this alleged concession. No such concession was ever made. To the contrary, petitioners argued in both lower courts that Rule 19 rather than "substantive patent law" controls any issues presented by a co-owner's refusal to participate as a plaintiff. As petitioners argued in both lower courts, under Rule 19 Choi "cannot . . . stymie plaintiffs' suit" by refusing to join as a plaintiff (Reply App. at 117a), especially when he is "presen[t] in this action" as a defendant. (Reply App. 113a).

U.S. Surgical is also wrong when it argues (Br. at 4) that the issues presented on certiorari were "never addressed by the Court of Appeals . . . ." The Federal Circuit not only addressed these issues, but it split two-to-one on how to resolve them. Instead of applying Rule 19, the majority held "as a matter of substantive patent law" that all co-owners "must ordinarily consent to join as plaintiffs in an infringement suit." (Pet. App. 25a). Judge Newman dissented from this portion of the majority

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Supp. 574 (E.D. Pa. 1988), which petitioners quoted on appeal in their main brief (Reply App. 108a) and reply brief (Reply App. 113a-14a), respectively, both quote at length from *Provident* in holding that "the adoption of the 1966 amendments to Rule 19 'makes inappropriate any contention that patent co-owners are *per se* indispensable in infringement suits.'" *Howes*, 698 F. Supp. at 576 (*quoting Catanzaro*, 378 F. Supp. at 205).

opinion, and described the majority's approach as contrary to "[p]recedent and the Federal Rules." Pet. App. 37a.

U.S. Surgical mischaracterizes the dissent as being based on the possibility that Choi "could have been joined as an involuntary plaintiff under Rule 19(a) if petitioners had so moved." (Br. 3). The dissent does point out that a co-owner could be joined as an involuntary plaintiff under Rule 19 "if such is needed to bring before the court all persons deemed necessary to the suit," but it emphasizes that such a motion was not necessary here because "Mr. Choi is already before the court as a party, having voluntarily intervened, by general appearance." Pet. App. 37a-38a. *See*, *Clarendon, Ltd. v. State Bank of Saurashtra*, 77 F.3d 631, 636 (2d Cir. 1996) (the issue of a party's indispensability under Rule 19 becomes moot if the party voluntarily appears in the action).

U.S. Surgical is also less than candid in claiming that petitioners agreed that the action would have to be dismissed if Choi "succeeded in selling his story." (Br. at 5). As U.S. Surgical is well aware, the "story" referred to had nothing to do with joinder and instead related to U.S. Surgical's contention that Choi had been omitted as a co-inventor *with deceptive intent*. *See* Reply App. 121a, 124a. As petitioners pointed out in the trial court, a finding of deceptive intent would have rendered the entire patent invalid and therefore would have required dismissal even though the infringement action was not based on any claims that Choi allegedly co-invented. *Id. See Stark v. Advanced Magnetics, Inc.*, 29 F.3d 1570, 1573 (Fed. Cir. 1994) and *J.P. Stevens & Co., Inc. v. LexTex Ltd., Inc.*, 747 F.2d 1553 (Fed. Cir. 1984), *cert. denied*, 474 U.S. 822

(1985). The "deceptive intent" issue accordingly was a major focus in the trial court. Notwithstanding the impression U.S. Surgical tries to create, the district court rejected its "deceptive intent" argument and found that the omission of Choi as a co-inventor (of two out of 55 claims, neither of which has ever been practiced) was done *without* any deceptive intent. Pet. App. 97a.

2. The Decision Below Conflicts With This Court's Decision in *Provident Tradesmens Bank* and with The Law in Other Circuits

Although U.S. Surgical tries to harmonize the decision below with *Provident*, the decision below takes the identical approach that *Provident* condemned as contrary to the mandate of Rule 19. Instead of applying the pragmatic analysis that *Provident* requires, the decision below makes "substantive patent law" the touchstone in analyzing dismissal for nonjoinder. To be sure, a proper Rule 19 analysis should take into account the substantive law that is applicable in the particular action, be it a patent case or a negligence action. But as other circuits have recognized in applying *Provident*, Rule 19 determinations "must be based on fact-specific considerations. These determinations are anything but pure legal conclusions. . . . [I]nstead, they involve the balancing of competing interests and must be steeped in 'pragmatic considerations.' " *Travelers Indem. Co. v. Dingwell*, 884 F.2d 629, 635 (1st Cir. 1989). The decision below conflicts with numerous cases that so hold,[2] including *Willingham v.*

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[2] *See, e.g., Kickapoo Tribe of Indians v. Babbitt*, 43 F.3d 1491, 1495, 1499-500 (D.C. Cir. 1995); *HB Gen. Corp. v.*

Lawton, 555 F.2d 1340 (6th Cir. 1977), and other cases involving patent co-owners.[3]

U.S. Surgical tries to deny the circuit split by describing *Willingham* as an " exception" to the Federal Circuit's "substantive" rule requiring that all patent co-owners willingly join as plaintiffs in an infringement action. (U.S. Surgical Br. at 9). That argument glosses over the fundamental difference between *Willingham* and the decision below. Consistent with this Court's decision in *Provident*, *Willingham* treats joinder of patent co-owners as governed by the pragmatic approach that is required by Rule 19. In contrast, the decision below treats joinder of co-owners as governed by a *per se* "substantive" rule that has narrowly defined exceptions. These two approaches are in direct conflict.

Manchester Partners L.P., 95 F.3d 1185, 1191, 1195 (3d Cir. 1996); *Schlumberger Indus., Inc. v. National Sur. Corp.*, 36 F.3d 1274, 1287-88 (4th Cir. 1994); *Local 670 v. International Union*, 822 F.2d 613, 618, 621 (6th Cir. 1987), *cert. denied*, 484 U.S. 1019 (1988); *Makah Indian Tribe v. Verity*, 910 F.2d 555, 558-60 (9th Cir. 1990); *Torcise v. Community Bank of Homestead*, 116 F.3d 860, 865-66 (11th Cir. 1997) (all applying *Provident*).

[3] *See also, Michaels of Oregon Co. v. Mil-Tech, Inc.*, 38 USPQ2d 1060, 1061 (D. Or. 1995); *International Business Machines Corp. v. Conner Peripherals, Inc.*, 30 USPQ2d 1315 (N.D. Cal. 1994); *Howes*, 698 F. Supp. at 576-79; *Windsurfing Int'l, Inc. v. Ostermann*, 100 F.R.D. 82, 83-84 (S.D.N.Y. 1983); *Catanzaro*, 378 F. Supp. at 205; *Tycom Corp. v. Redactron Corp.*, 380 F. Supp. 1183, 1185-87 (D.Del. 1974); *Owatonna Mfg. Co. v. Melroe Co.*, 301 F. Supp. 1296 (D. Minn. 1969).

3. The "Substantive" Principle Resurrected by the Federal Circuit was Directed at Procedural Concerns that Rule 19 Now Addresses

As demonstrated in the Petition (at pp. 15-17), the "substantive" principle applied by the Federal Circuit was developed prior to the enactment of the Federal Rules of Civil Procedure in order to address procedural issues that Rule 19 now addresses. U.S. Surgical does not dispute this and simply repeats the lower court's conclusion that "substantive patent law" requires co-owners to willingly join as plaintiffs in infringement suits. It never explains why Choi, who conveyed all of his rights in the patent to U.S. Surgical and thus has no conceivable claim against it under the patent, is an indispensable *plaintiff* in the patent suit against it.

Moreover, the 1966 amendments to Rule 19 call into question the continued vitality of the "substantive patent law" principle that U.S. Surgical relies upon. Except for the decision below, the overwhelming majority of recent cases reflect courts' recognition that "the adoption of the 1966 amendments to Rule 19 'makes inappropriate any contention that patent co-owners are *per se* indispensable in infringement suits.'" *Howes*, 698 F. Supp. at 576 (*quoting Catanzaro*, 378 F. Supp. at 205). Ironically, the treatise that U.S. Surgical cites for the supposed vitality of its "substantive" rule, 8 Chisum on Patents, § 201.03[3], recognizes this when it states (at p. 21-284):

> "There is some dispute in the decisions as to whether Rule 19 or the older decisions on

> parties in patent suits should be controlling. The dispute would seem to be adequately answered in *Provident Tradesmen*."

Cases that U.S. Surgical cites (Br. at 7, n.3) also call the vitality of the "substantive rule" into question. For example, *Tycom*, 384 F. Supp. 1183, cites the nineteenth century cases before concluding that the "pragmatic approach" embodied in Rule 19 — not the older *per se* rule — "has in fact been applied in patent cases since the adoption of the amended rule [Rule 19]." *Id.*, 380 F. Supp. at 1187. *Schering-Plough Corp. v. Zeneca, Inc.*, 104 F.3d 341 (Fed. Cir. 1997), which U.S. Surgical also cites, permitted one co-owner to sue an infringer for accrued damages, even though the other co-owner did not consent to the action and was joined as an involuntary plaintiff. Other cases such as *Conner Peripherals*, 30 USPQ2d 1315, engaged in detailed Rule 19 analyses, which would have been superfluous if there were a *per see* rule that infringement actions cannot proceed in the absence of a non-consenting co-owner. *Willingham*, 555 F.2d 1340, which U.S. Surgical also cites, discusses the rationale for the older "substantive" rule and confirms that the rule was directed at procedural issues that are now addressed by Rule 19. Under this Court's decision in *Provident*, Rule 19, rather than a *per se* "substantive" rule, is the appropriate vehicle for addressing those issues.

4. This Case Presents Important Issues

U.S. Surgical describes the facts of this case as *sui generis* and thus unworthy of review, but the issues raised by this case have general importance. The issue of

whether "substantive patent law" or Rule 19 governs joinder of co-owners in patent cases goes to the fundamentals of federal jurisprudence. It calls into question the primacy of the Federal Rules of Civil Procedure, and raises the basic issue of whether the Federal Circuit may ignore the Federal Rules that govern all other civil actions and instead fashion its own peculiar procedural rules to govern patent cases.

Both sides agree that the Rules Enabling Act, 28 U.S.C. § 2072(b), is implicated here. U.S. Surgical asserts that requiring the application of Rule 19 to patent cases would violate this Act by "abridging" its substantive right to escape damages for past infringement. Petitioners contend that the Federal Circuit's invocation of substantive patent law cannot override the clear mandates of the Federal Rules. This presents an important issue which should be resolved by this Court. Numerous decisions cited by both sides confirm that the question of whether all co-owners must join as plaintiffs in patent infringement suits is a recurring one.

Absent review by this Court, the decision below will encourage infringers to seek out technicians and consultants who worked with an inventor, and offer them financial inducements for claiming co-inventor status. Because the requirements for co-inventor status are imprecise, such claims will make enforcement of patents more difficult and uncertain and ultimately, will undercut the strong policy against patent infringement.

The importance of these issues is confirmed by an *amicus curiae* brief in the court below supporting

petitioners' position and by a motion for leave to file an *amicus curiae* brief in this Court.

CONCLUSION

For the reasons stated above and in the petition, this Court should grant the petition for a writ of certiorari.

Respectfully submitted,

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Dated: August 27, 1998

REPLY
APPENDIX

CORRECTED BRIEF FOR APPELLANTS ETHICON, INC. AND INBAE YOON, M.D.

IN THE

United States Court of Appeals

FOR THE FEDERAL CIRCUIT

Appeal No. 97-1269

ETHICON, INC. and INBAE YOON, M.D.,
Plaintiffs-Appellants,

---v.---

UNITED STATES SURGICAL CORPORATION
and YOUNG JAE CHOI,
Defendants-Appellees.

APPEAL FROM A JUDGMENT OF THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT IN 89-386
ENTERED FEBRUARY 20, 1997,
JUDGE ROBERT N. CHATIGNY

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(EXCERPTS)

. . . .

Although the trial court states that "[p]laintiffs cite no authority that would permit them to proceed with the suit against USSC without Choi's consent," (A6) Rule 19, F. R. Civ. P. specifically allows a non-consenting indispensable party to be joined as an involuntary plaintiff, which was the procedure followed in Schering [Corp. v. Zeneca, Inc., 104 F.3d 341 (Fed. Cir. 1997)]. It was not necessary to invoke that procedure here because Choi appeared as a defendant-intervenor. The trial court remarked in the footnote to the statement quoted above (A6 at n.1), that plaintiffs "do not deny that, as a matter of substantive law, a co-owner of a patent cannot sue for infringement without the consent of all other co-owners." By its terms, however, Rule 19 is applicable to all actions, and, contrary to the trial court's view of "substantive" patent law, there is no provision in the patent law prohibiting the applicability of Rule 19 to patent actions. It is applied as a matter of course in such actions. See Catanzaro v. Int'l Tel. & Tel. Corp., 378 F. Supp. 203, 205, 183 USPQ 273, 274 (D. Del. 1974)("However, the adoption of amended Rule 19, Federal Rules of Civil Procedure in 1966 makes inappropriate any contention that patent co-owners are *per se* indispensable in infringement suits.") See also, 7 Wright *Federal Practice and Procedure* § 1606 at 82 (1986) ("In light of the application cases, there seems to be no good reason, other than some abstract notion of doctrinal purity, for not extending the involuntary plaintiff rule to cover co-owners of a patent in controversies that arise after it has been granted. Inasmuch as the rule relating to co-owners occasionally prevents one co-owner from securing relief, its continued application cannot be justified.") The single case cited by the trial court to the contrary, Cilco, Inc. v. Copeland Intralenses, Inc., 614 F. Supp. 431, 227 USPQ 168 (S.D.N.Y. 1985), is in the distinct

minority.[3]

This court in Schering cited and endorsed the holdings in the Lalance cases [Lalance & Grosjean Mfg. Co. v. Haberman Mfg. Co., 107 F. 487 (C.C. S.D.N.Y. 1901), and Lalance & Grosjean Mfg. Co. v. Haberman Mfg. Co., 93 F. 197 (C.C. S.C.N.Y.)] forbidding a co-owner from granting a release to an accused infringer for accrued damages. See also Molinari v. Rockwell, Int'l, No. 75-169 (D. Del. 1997) A4886-90. It did so because it disapproved of deals which one co-owner could make with an accused infringer to obtain an immunity bath for such past acts of infringement. Here the situation is more egregious. USSC made a deal with a person who was not a co-owner of record, and contracted to give him a contingent fee dependent upon his being able to convince a court that he was a co-inventor. To endorse such conduct as proper and legal is a clear and present danger to the protection of patent rights.

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[3] See Michaels of Oregon Co. v. Mil-Tech Inc., 38 USPQ2d 1060 (D. Or. 1995) (applies Rule 19 to determine co-owner is not a necessary party to patent infringement lawsuit); International Business Machs. Corp. v. Conner Peripherals Inc., 30 USPQ2d 1315 (N.D. Cal. 1994) (same); Howes v. Medical Components, Inc., 698 F. Supp. 574 (E.D. Pa. 1988) (motion to dismiss for lack of patent co-owner as indispensable party under Rule 19(b)); Windsurfing Int'l, Inc. v. Ostermann, 100 F.R.D. 8, 223 USPQ 509 (S.D.N.Y. 1983) (alleged co-owner is not indispensable party under Rule 19(b)).

REPLY BRIEF FOR APPELLANTS ETHICON, INC. and INBAE YOON, M.D.

IN THE

United States Court of Appeals

FOR THE FEDERAL CIRCUIT

No. 97-1269

ETHICON, INC. and INBAE YOON, M.D.,
Plaintiffs-Appellants,

--v.--

UNITED STATES SURGICAL CORPORATION
and YOUNG JAE CHOI,

Defendants-Appellees.

APPEAL FROM A JUDGMENT OF THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT IN 89-386,
ENTERED FEBRUARY 20, 1997, JUDGE ROBERT N. CHATIGNY

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(EXCERPTS)

. . . .

IV. At a Minimum, the Grant in the So-Called License Agreement Purporting to Release USSC For Acts of Past Infringement Is Invalid

Prior to its agreement with Choi in September 1992, USSC had incurred potential liability from 1987 to 1992 for infringing the '773 patent running into hundreds of millions of dollars. Extinguishing that liability was a key objective of USSC's deal with Choi. As a matter of law, however, the deal that USSC made with Choi in 1992 could not do more than authorize USSC to practice the patent in the future. The release from past acts of infringement in the Choi agreement should not be enforced because such a release by a co-owner of a patent is unenforceable.

Choi's inability to grant a release is established by Schering Corp. & Roussel-UCLAF SA v. Zeneca, Inc., 104 F.3d 341, 41 USPQ2d 1359 (Fed. Cir. 1997), which Ethicon discussed in its initial brief. Schering holds that "the rights of a patent co-owner . . . do not extend to granting a release that would defeat an action by other co-owners to recover damages for past infringement" unless there is an "agreement [between the co-owners] to the contrary." Id., 104 F.3d at 345. It is undisputed that Yoon never agreed to allow Choi to release USSC from liability for its acts of infringement. Because Choi's agreement with USSC "cannot discharge an infringer's liability to the other co-owner for past infringement," id., Ethicon must be permitted to maintain its action against USSC for past damages.

To avoid this result, USSC misreads the Schering case in a way that wholly eviscerates its holding. As USSC reads it, the Schering case is internally inconsistent and would implicitly permit the functional equivalent of what it expressly prohibits.

USSC concedes that Schering prohibits a co-owner from granting a release from liability for past damages. According to USSC, however, a co-owner can achieve the same result by refusing to consent to continued maintenance of an action in which he is a party, which was commenced prior to his being adjudicated a co-owner. Under USSC's revisionist theory, even a co-owner who voluntarily joined an infringement action could provide the complete functional equivalent of a prohibited unilateral release by the simple expedient of unilaterally declining to consent to the continued maintenance of a lawsuit for past damages. This exalts form over substance.

In Schering, this Court remanded the action to permit Schering to pursue its claim for damages based on "pre-license infringement." Id., 104 F.3d at 347. It did so on the grounds that Schering's co-owner, Roussel lacked authority to release its licensee from damages for pre-license infringement and was present in the action albeit as an involuntary party. Ethicon is entitled to the same relief, for the same reasons.

USSC asserts that the remand was ordered only because "the appeal was from an order granting partial summary judgment." USSC Br. 47 (emphasis in original). That is wrong. In effect, USSC argues that this Court did not mean what it said in Schering when it remanded the action to permit Schering to pursue its claim for past infringement despite its not having the consent of its co-owner to do so.

USSC denigrates the portion of the Schering holding that Ethicon relies upon as dicta (USSC Br. 47), but this Court's holding -- that one co-owner "cannot discharge an infringer's liability to the other co-owner for past infringement," Schering, 104 F.3d at 345 -- was essential to its decision to "return [the case] to the district court for further proceedings" on the issue of whether Schering's claim of "pre-license infringement . . . has merit." Id., 104 F.3d at 347.

To support its argument, USSC seizes on phrases from Schering that have no application to this case. For example, USSC quotes the statement that "[o]rdinarily, one co-owner has the right to impede the other co-owner's ability to sue infringers by refusing to voluntarily join in such a suit . . . ." USSC Br. 38, quoting Schering, 104 F.3d at 345 (emphasis added). In the same vein, USSC quotes the statement that "Schering, as a co-owner, would not be able to sue for infringement if its co-owner Roussel declined to join the suit." USSC Br. 38, quoting Schering, 104 F.3d at 344 (emphasis added).

These phrases have no bearing here for the clearest of reasons: Choi did not "decline to join th[is] suit." Id., 104 F.3d at 344. In fact, he did exactly the opposite. He "voluntarily . . . join[ed]" the action, id., 104 F.3d at 345, and he did so by stipulation, without objection or complaint. (A 1808).

Choi's presence in this action as a party accomplishes the purposes to be served by joinder of all co-owners in infringement actions. First, joinder of all co-owners protects infringers from the danger of multiple lawsuits. Infringers might face "a risk of relitigation" if co-owners who were not joined in an infringement action brought subsequent lawsuits. Howes v. Medical Components, Inc., 698 F. Supp. 574, 577 (E.D. Pa. 1988). See also Windsurfing Intern'l, Inc. v. Ostermann, 100 F.R.D. 82, 83, 223 USPQ2d 509, 510 (S.D.N.Y. 1983). That risk is not present in this case because Choi, as a party, will be bound by the outcome under the doctrines of collateral estoppel and res judicata. Second, joinder of all co-owners gives co-owners an opportunity to protect their interests against attacks on the patent's validity or enforceability, and thus protects co-owners from the danger that patents in which they have an ownership interest might be ruled invalid or unenforceable in their absence. See Windsurfing Intern'l, 100 F.R.D. 82. Choi's presence in this case as a voluntary party gives him that

protection.

Although earlier cases treated patent co-owners as per se indispensable in infringement actions, the "adoption of amended Rule 19, Federal Rules of Civil Procedure, in 1966 makes inappropriate any contention that patent co-owners are per se indispensable in infringement suits." Catanzaro v. Intern'l Tel. & Tel. Corp., 378 F. Supp. 203, 205, 183 USPQ 273, 274 (D. Del. 1974). Cases decided after the 1966 amendments to Rule 19 have applied that Rule on a case-by-case basis in deciding whether infringement actions can proceed without joinder of a co-owner. See, e.g., Michaels of Oregon Co. v Mil-Tech, Inc., 38 USPQ2d 1060 (D. Ore. 1995) (holding that a patent co-owner was not indispensable under Rule 19(b), Fed.R.Civ.P., and did not need to be joined in an infringement action); Howes, 698 F. Supp. 574 (same); Windsurfing Intern'l, 100 F.R.D. 82 (same).

Choi already is a voluntary party in this lawsuit. USSC's argument that it can escape liability for past acts of infringement because Choi could not be brought into the case involuntarily under Rule 19, Fed.R.Civ.P., makes no sense. See USSC Br. 39. With Choi voluntarily in the case as a party, there is no need to bring him into the suit involuntarily under Rule 19. As a result, Cilco v. Copeland Intralenses, Inc., 614 F. Supp. 431, 227 USPQ 168 (S.D.N.Y. 1985), and the other Rule 19 cases that USSC cites are completely inapposite. Rainbow Rubber Co. v. Holtite Mfg. Co., 20 F. Supp. 913 (D.Md. 1937), which USSC also cites, was decided prior to the enactment of the Federal Rules of Civil Procedure in 1938, but applies the same analysis as the Rule 19 cases and is inapposite for the same reasons.

Because Choi joined this action voluntarily, USSC is relegated to arguing that all co-owners must "consent" to bringing an infringement action. USSC Br. 38. But neither this

Court nor its predecessor courts have imposed any such requirement. Moreover, the Schering case, which USSC cites for this proposition, refutes USSC's argument. Schering says that co-owners must be "joined" in an infringement action -- not that they must "consent" to the suit. Schering, 104 F.3d at 344-45.

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

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ETHICON, INC. and INBAE YOON, M.D.,	:	
Plaintiffs,	:	Civil Action No.B89-386 (RNC)
-against-	:	
UNITED STATES SURGICAL CORPORATION,	:	
	:	January 24, 1997
Defendant,	:	
-and-	:	
YOUNG JAE CHOI,	:	
Intervenor-Defendant.	:	

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PLAINTIFFS' REPLY MEMORANDUM IN FURTHER SUPPORT OF THEIR MOTION TO FILE SUPPLEMENTAL AUTHORITY

(EXCERPTS)

. . . .

4. MR. CHOI CANNOT REFUSE TO SUE USSC AND STYMIE PLAINTIFFS' SUIT AGAINST USSC

It is immaterial whether or not Mr. Choi voluntarily joins plaintiffs in their suit against USSC. Cf. Defs.' Mem. at 6. Mr. Choi is already a party, and he can be realigned as an involuntary plaintiff -- similar to the initial joinder of Roussel as an involuntary plaintiff in the Schering [Corp. v. Zeneca, Inc., 104 F.3d 341 (Fed. Cir. 1997)] case. See Willingham v. Lawton, 555 F.2d 1340, 1344-45 (6th Cir. 1977). Indeed, realignment of an existing party is even simpler than the initial joinder of a person as an involuntary plaintiff.

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

ETHICON, INC. and INBAE YOON, M.D., Plaintiffs, -against- UNITED STATES SURGICAL CORPORATION, Defendant, -and- YOUNG JAE CHOI, Intervenor-Defendant.	Civil Action B 89-386 (RNC) January 30, 1997

PLAINTIFFS' OPPOSITION TO DEFENDANTS' MOTION FOR PERMISSION TO FILE A SURREPLY TO PLAINTIFFS' REPLY MEMORANDUM IN FURTHER SUPPORT OF THEIR MOTION TO FILE SUPPLEMENTAL AUTHORITY

(EXCERPTS)

. . . .

3. Rule 19, F.R.C.P. specifically Allows Plaintiffs To Proceed Against U.S. Surgical For Retroactive Infringement Without The Consent Of Mr. Choi

Rule 19 by its terms specifically allows a non-consenting indispensable party to be joined as an involuntary plaintiff. That was the procedure followed in Schering Corp. v. Zeneca, Inc., 104 F.3d 341 (Fed. Cir. 1997)]. It is not necessary to join Mr. Choi here as an involuntary plaintiff because he has appeared as a defendant who has intervened. To argue, as U.S. Surgical does, that plaintiffs need Mr. Choi's consent to sue for retroactive infringement is tantamount to asking this court to flout the unequivocal holding by the Federal Circuit that a co-owner cannot grant retroactive immunity to an accused infringer by issuing a license to him for such retroactive infringement.

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

ETHICON, INC. and INBAE YOON, M.D.,	:	
Plaintiffs,	:	Civil Action No. B 89-386 (JAC)
-against-	:	
UNITED STATES SURGICAL CORPORATION,	:	
Defendant,	:	September 8, 1993
-and-	:	
YOUNG JAE CHOI,	:	
Intervenor-Defendant.	:	

MEMORANDUM IN SUPPORT OF PROPOSED STIPULATION AND ORDER GOVERNING THE TRIAL OF CHOI'S ALLEGED CO-INVENTORSHIP OF U.S. PATENT NO. 4,535,773

(EXCERPTS)

. . . .

USSC seeks to escape a jury trial by relying on cases such as Gardco Manufacturing, Inc. v. Herst Lighting Co., 820 F.2d 1209 at 1212-13 (Fed. Cir. 1987), providing for a trial to the court, not jury, where an equitable defense as to unenforceability is raised. Those cases, however, are restricted to cases where, unlike here, the facts establishing unenforceability would not necessarily result in invalidation of the patent.

In an effort to bring itself within the ambit of those cases, USSC charges that Dr. Yoon's alleged deceptive intention in failing to name Choi as a co-inventor as to some of the claims not sued on by Ethicon and Dr. Yoon here renders the entire patent unenforceable, even though neither it nor Choi asserts that Choi had any role in inventing the subject matter of the claims sued on herein, claims 34 and 50. Therefore, according to USSC, its charge of unenforceability, if proved, would not necessarily result in invalidating the entire patent.

This contention is palpably untenable. Such deceptive conduct by Dr. Yoon would invalidate the patent in its entirety. In J.P. Stevens & Co. v. Lex Tex Ltd., Inc., 747 F.2d 1553, 1561-62 (Fed. Cir. 1984), cert. denied, 474 U.S. 822 (1985), the Federal Circuit held that the entire patent would be invalid if any one claim was invalid because of the patentee's deceptive intention with regard to that one claim. In so holding, the Federal Circuit recognized the unequivocal mandate in 35 U.S.C. § 288 that allows a suit to be maintained on a patent having both valid and invalid claims only if the invalid claims of the patent were obtained "without deceptive intention."

Thus, because USSC's charge is based on the deceptive invalidity of some of the '773 claims, the charge, if provided,

necessarily invalidates the '773 patent. Accordingly, Dr. Yoon and Ethicon have a right to a jury trial, not a hearing or a trial by the Court.

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

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ETHICON, INC. AND
INBAE YOON, M.D.,

Plaintiffs,

vs. 5:89-CV-386 (RNC)

UNITED STATES
SURGICAL CORPORATION,

Defendant.

-and-

YOUNG JAE CHOI,

Intervenor-Defendant

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OCTOBER 10, 1996
HARTFORD, CONNECTICUT

B E F O R E:

HON. ROBERT N. CHATIGNY, U.S.D.J.

(EXCERPTS)

MR. DOBBINS [counsel for plaintiffs]: . . . .

And this business that somehow we conceded by co-inventorship that if the co-inventorship -- if Choi was found to be a co-inventor, that the case would be over, that's just not correct.

We always took the position, I think your Honor will agree with this, that we consistently took the position that If Choi were found to be a co-inventor, the evidence necessarily required a finding that Yoon acted with deceptive intent.

And we said therefore, our argument was, therefore, we were entitled to a jury trial because deceptive intent invalidates the patent.

U.S. Surgical essentially agreed with our position, but they took a different tack. They said, all right, sure, they're right. If Choi is named -- if Choi is found to be a co-inventor, Yoon actually misappropriated the ideas, his inventions, and did so with deceptive intent. But deceptive intent on Yoon's part doesn't matter as long as Yoon acted with deceptive intent, the requirement of 256 are satisfied. That was their position.

But the case basically was tried and the issue was tried on deceptive intent. We won on deceptive intent. And now you have an adjudication that because of technical slip-up, Yoon's attorney failed to list Choi as a co-inventor on two minor claims.

We say you, sitting as a court of equity, have the power, and in fact I think it would be an abuse of discretion on the facts of this case not to grant, in essence, what would be a divisional application; naming Choi as the inventor of two of those claims, and a separate patent naming Yoon the inventor of the rest. That's the fair thing to do. Otherwise, its a forfeiture of the patent.